



April 28, 2016

Summary of Consolidated Financial Statements for the Fiscal Year Ended March 31, 2016 Under Japanese GAAP

Company's name: **Mizuho Securities Co., Ltd.**

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Preparation of supplemental explanatory documents: Yes

Holding of presentation meeting: No

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2016 (April 1, 2015 to March 31, 2016)

(Amounts are rounded down to the nearest millions of yen)

(1) Consolidated operating results

(Percentage figures represent year-on-year changes)

	Operating revenues		Net operating revenues		Operating income		Ordinary income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
Year ended March 31, 2016	471,949	6.9	415,245	5.0	85,612	1.5	85,429	(1.2)
Year ended March 31, 2015	441,331	20.0	395,552	22.4	84,384	108.1	86,477	100.4

(Note) Comprehensive income: Year ended March 31, 2016: 51,161 million yen (-34.5%)
Year ended March 31, 2015: 78,088 million yen (38.0%)

	Net income attributable to owners of parent		Net income per share	Net income per share - fully diluted	Return on Equity
	millions of yen	%	yen	yen	%
Year ended March 31, 2016	61,168	4.3	30.36	—	8.8
Year ended March 31, 2015	58,652	14.4	29.11	—	8.9

Reference: Equity in net earnings of affiliated companies: Year ended March 31, 2016: 44 million yen
Year ended March 31, 2015: 32 million yen

(2) Consolidated financial positions

	Total assets	Net assets	Equity ratio	Net assets per share
	millions of yen	millions of yen	%	yen
March 31, 2016	20,659,503	739,645	3.5	354.51
March 31, 2015	21,048,338	706,160	3.2	338.26

Reference: Equity (i.e. "Shareholders' equity" and "Accumulated other comprehensive income"):

March 31, 2016: 714,377 million yen

March 31, 2015: 681,629 million yen

2. Notes

(1) Changes in significant subsidiaries (changes in specified subsidiaries accompanying changes in the scope of consolidation) during the period: None

(2) Changes in accounting policies, estimates, and restatements:

1) Changes in accounting policies in accordance with revisions of accounting standards: Yes

2) Changes other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(Note) For further information, please refer to in "6. Changes in accounting policies" on page 11.

(3) Number of outstanding shares (common stock)

1) Number of shares issued at end of the period (including treasury stock):

March 31, 2016: 2,015,102,652 shares

March 31, 2015: 2,015,102,652 shares

2) Number of treasury stock at end of the period:

March 31, 2016: — shares

March 31, 2015: — shares

3) Average number of outstanding shares for the period:

March 31, 2016: 2,015,102,652 shares

March 31, 2015: 2,015,102,652 shares

* Note on the status of audit procedures

This summary of financial statements is exempt from the audit procedures based on the "Financial Instruments and Exchange Act."

* Other important matters

Not applicable

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I. Consolidated Financial Statements

1. Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2015	As of March 31, 2016
Assets		
Current assets		
Cash and bank deposits	447,202	468,021
Cash segregated as deposits for customers and others	159,285	175,926
Trading assets	5,858,340	7,587,509
Trading securities and others	4,108,556	4,595,554
Derivatives	1,749,783	2,991,955
Receivables – unsettled trades	542,175	153,682
Operating investment securities	55,508	39,886
Operating loans receivable	14,303	13,835
Receivables related to margin transactions	77,486	101,224
Loans receivable under margin transactions	53,331	56,392
Cash collateral for borrowed securities under margin transactions	24,155	44,832
Collateralized short-term financing agreements-receivable	13,123,583	11,144,682
Deposits paid for securities borrowed	4,047,550	3,698,505
Securities purchased under agreements to resell	9,076,033	7,446,177
Advances paid	2,756	2,044
Securities: fail to deliver	28,452	119,202
Short-term loans receivable	6,800	6,058
Securities	5,811	6,831
Deferred tax assets	24,896	13,045
Other current assets	448,064	586,598
Less: Allowance for doubtful accounts	(93)	(87)
Total current assets	20,794,574	20,418,463
Noncurrent assets		
Property and equipment	39,633	41,564
Buildings	12,613	15,260
Equipment	8,990	9,717
Land	17,425	16,184
Leased assets	604	401
Intangible assets	89,326	93,390
Software	44,140	53,509
Customer related assets	43,785	38,771
Other	1,400	1,110
Investments and other assets	124,803	106,084
Investment securities	78,149	68,605
Long-term loans receivable	112	83
Long-term guarantee deposits	13,769	13,432
Net defined benefit asset	23,342	16,745
Deferred tax assets	758	1,035
Other	13,732	9,820
Less: Allowance for doubtful accounts	(5,061)	(3,638)
Total noncurrent assets	253,763	241,039
Total assets	21,048,338	20,659,503

(Millions of yen)

As of March 31, 2015 As of March 31, 2016

Liabilities		
Current liabilities		
Trading liabilities	4,858,549	5,550,897
Trading securities and others	3,190,401	2,630,040
Derivatives	1,668,148	2,920,857
Payables related to margin transactions	34,980	42,887
Borrowings on margin transactions	9,240	11,390
Cash collateral for loaned securities under margin transactions	25,739	31,496
Collateralized short-term financing agreements-payable	11,980,429	11,151,298
Deposits received for securities loaned	1,416,402	1,908,957
Securities sold under agreements to repurchase	10,564,026	9,242,340
Deposits received	189,288	164,745
Guarantee deposits received	529,112	525,163
Securities: fail to receive	28,627	17,012
Short-term borrowings	788,896	619,650
Commercial paper	456,500	513,700
Bonds and notes due within one year	179,556	143,009
Lease obligations	415	662
Income taxes payable	11,025	7,126
Deferred tax liabilities	—	3
Accrued employees' bonuses	31,206	32,077
Provision for variable compensation	—	790
Provision for bonus point redemption	783	623
Other current liabilities	72,307	71,361
Total current liabilities	19,161,679	18,841,010
Noncurrent liabilities		
Bonds and notes	603,908	620,666
Long-term borrowings	524,000	409,400
Lease obligations	1,353	858
Deferred tax liabilities	25,497	22,320
Provision for directors' retirement benefits	283	290
Provision for executive officers' retirement benefits	143	186
Net defined benefit liability	18,557	20,764
Other noncurrent liabilities	5,144	2,335
Total noncurrent liabilities	1,178,889	1,076,822
Statutory reserves		
Reserve for financial instruments transaction liabilities	1,607	2,024
Total statutory reserves	1,607	2,024
Total liabilities	20,342,177	19,919,857

(Millions of yen)

	As of March 31, 2015	As of March 31, 2016
Net assets		
Shareholders' equity		
Common stock	125,167	125,167
Capital surplus	359,999	358,874
Retained earnings	227,145	272,310
Total shareholders' equity	<u>712,312</u>	<u>756,352</u>
Accumulated other comprehensive income (loss)		
Net unrealized gains on (operating) investment securities, net of tax	24,854	21,115
Foreign currency translation adjustments	(63,399)	(64,240)
Remeasurement of defined benefit plans	7,862	1,149
Total accumulated other comprehensive income (loss)	<u>(30,682)</u>	<u>(41,974)</u>
Non-controlling interests	<u>24,531</u>	<u>25,268</u>
Total net assets	<u>706,160</u>	<u>739,645</u>
Total liabilities and net assets	<u>21,048,338</u>	<u>20,659,503</u>

2. Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016
Operating revenues		
Commissions	228,582	244,155
Brokerage commissions	65,771	60,234
Underwriting and selling fees, and commissions from solicitation to qualifying investors	52,991	59,908
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	38,068	38,636
Other commissions and fees	71,750	85,374
Net gain on trading	122,100	128,133
Net gain on operating investment securities	18,266	16,952
Interest and dividend income	72,381	82,708
Total operating revenues	441,331	471,949
Interest expenses	45,778	56,704
Net operating revenues	395,552	415,245
Selling, general and administrative expenses	311,168	329,632
Transaction-related expenses	64,386	74,943
Personnel expenses	140,864	144,209
Real estate expenses	34,444	34,699
Administrative expenses	25,715	31,679
Depreciation and amortization	23,632	24,129
Taxes and dues	4,472	3,979
Provision of allowance for doubtful accounts	451	(432)
Other	17,200	16,424
Operating income	84,384	85,612
Non-operating income	3,402	3,435
Non-operating expenses	1,309	3,619
Ordinary income	86,477	85,429
Extraordinary gain	698	13,617
Gain on sales of noncurrent assets	89	48
Gain on sales of investment securities	609	746
Indemnity receipt from the erroneous stock order	—	12,822
Extraordinary loss	2,573	3,424
Loss on sales of noncurrent assets	—	12
Loss on disposal of noncurrent assets	410	298
Loss on sales of investment securities	76	92
Loss on impairment of investment securities	10	62
Loss on impairment of golf club membership	0	0
Impairment losses	859	843
Head office transfer cost	881	1,508
Cost incurred in opening of joint branches	—	190
Provision of reserve for financial instruments transaction liabilities	334	416
Income before income taxes and non-controlling interests	84,602	95,621
Income taxes – current	16,755	17,966
Income taxes – deferred	6,705	13,886
Total income taxes	23,461	31,853
Net income	61,141	63,768
Net income attributable to non-controlling interests	2,489	2,599
Net income attributable to owners of parent	58,652	61,168

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016
Net income	61,141	63,768
Other comprehensive income (loss)		
Net unrealized gains (losses) on (operating) investment securities, net of tax	9,079	(3,780)
Foreign currency translation adjustments	3,861	(1,951)
Remeasurement of defined benefit plans	4,005	(6,875)
Share in other comprehensive income of affiliates accounted for using equity method	0	0
Total other comprehensive income (loss)	16,946	(12,606)
Comprehensive income	78,088	51,161
(Breakdown)		
Attributable to:		
Owners of parent	73,563	49,876
Non-controlling interests	4,524	1,285

3. Consolidated Statements of Changes in Shareholders' Equity

Year ended March 31, 2015

(Millions of yen)

	Shareholders' equity			
	Common stock	Capital surplus	Retained earnings	Total shareholders' equity
Balance at beginning of period	125,167	359,999	191,868	677,034
Cumulative effect of changes in accounting policies			2,869	2,869
Restated balance	125,167	359,999	194,737	679,903
Changes during the period				
Dividends of surplus			(26,196)	(26,196)
Net income attributable to owners of parent			58,652	58,652
Changes in scope of consolidation			(47)	(47)
Net changes of items other than shareholders' equity				
Total changes during the period	—	—	32,408	32,408
Balance at end of period	125,167	359,999	227,145	712,312

(Millions of yen)

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Net unrealized gains on (operating) investment securities, net of tax	Foreign currency translation adjustments	Remeasurement of defined benefit plans	Total accumulated other comprehensive income (loss)		
Balance at beginning of period	15,938	(65,414)	3,881	(45,594)	20,522	651,962
Cumulative effect of changes in accounting policies					122	2,992
Restated balance	15,938	(65,414)	3,881	(45,594)	20,645	654,954
Changes during the period						
Dividends of surplus						(26,196)
Net income attributable to owners of parent						58,652
Changes in scope of consolidation						(47)
Net changes of items other than shareholders' equity	8,916	2,014	3,980	14,911	3,885	18,797
Total changes during the period	8,916	2,014	3,980	14,911	3,885	51,206
Balance at end of period	24,854	(63,399)	7,862	(30,682)	24,531	706,160

Year ended March 31, 2016

(Millions of yen)

	Shareholders' equity			
	Common stock	Capital surplus	Retained earnings	Total shareholders' equity
Balance at beginning of period	125,167	359,999	227,145	712,312
Cumulative effect of changes in accounting policies		(1,124)	1,124	—
Restated balance	125,167	358,874	228,269	712,312
Changes during the period				
Dividends of surplus			(17,128)	(17,128)
Net income attributable to owners of parent			61,168	61,168
Net changes of items other than shareholders' equity				
Total changes during the period	—	—	44,040	44,040
Balance at end of period	125,167	358,874	272,310	756,352

(Millions of yen)

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Net unrealized gains on (operating) investment securities, net of tax	Foreign currency translation adjustments	Remeasurement of defined benefit plans	Total accumulated other comprehensive income (loss)		
Balance at beginning of period	24,854	(63,399)	7,862	(30,682)	24,531	706,160
Cumulative effect of changes in accounting policies						—
Restated balance	24,854	(63,399)	7,862	(30,682)	24,531	706,160
Changes during the period						
Dividends of surplus						(17,128)
Net income attributable to owners of parent						61,168
Net changes of items other than shareholders' equity	(3,738)	(840)	(6,712)	(11,292)	737	(10,555)
Total changes during the period	(3,738)	(840)	(6,712)	(11,292)	737	33,484
Balance at end of period	21,115	(64,240)	1,149	(41,974)	25,268	739,645

4. Note on the going-concern assumption

Not applicable

5. Significant accounting policies in the preparation of consolidated financial statements

1. Scope of consolidation

Consolidated subsidiaries (19 subsidiaries)

Major subsidiaries

Mizuho Securities UK Holdings Ltd.
Mizuho International plc
Mizuho Bank (Switzerland) Ltd.
Mizuho Securities USA Inc.
Mizuho Securities Asia Limited
Mizuho Securities (Singapore) Pte. Ltd.
Mizuho Securities India Private Limited
Mizuho Investment Consulting (Shanghai) Co., Ltd.
Shinko Asset Management Co., Ltd.
Mizuho Securities Principal Investment Co., Ltd.
Basic Capital Management Ltd.
Mizuho Securities Research & Consulting Co., Ltd.
Japan Investor Relations and Investor Support, Inc.
Nippon Securities Technology Co., Ltd.
Mizuho Securities Business Services Co., Ltd.
Mizuho Securities Property Management Co., Ltd.
Mitsui Securities Co., Ltd.
Other 2 companies

Excluded from the scope of consolidation:

Mizuho International (Nominees) Limited
Delphinus CDO 2007-1 Limited

2. Matters concerning the application of equity method

Equity-method affiliates (11 affiliates)

Neostella Capital Co., Ltd.
Energy & Environment Investment, Inc.
Mobile Internet Capital, Inc.
The Neostella Capital No.1 Investment Business Limited Partnership
Industrial Decisions, Inc.
Other 6 companies

Newly applied:

MIC Innovation IV Limited Liability Fund
EEI Smart Energy Investment Limited Partnership

3. Matters related to the period of consolidated subsidiaries

The closing dates of consolidated subsidiaries are as follows:

March 31, 2016	18 subsidiaries
December 31, 2015	1 subsidiary

For a consolidated subsidiary with different closing date to the consolidated closing date, financial statements as of the subsidiary's closing date are used. However, for important transactions that took place between the closing date of the company and the consolidated closing date, adjustments necessary for the consolidation are performed.

In addition, Mizuho Securities India Private Limited changed its closing date from December 31 to March 31, the same date as consolidated closing date, in this fiscal year. Thus, the financial period of this subsidiary in this fiscal year was extended to 15months. The impact of this change of the closing date is insignificant on consolidated financial statements.

4. Matters related to the accounting policies

(1) Valuation method for significant assets

1) Valuation method for securities classed as trading products (securities held for trading purpose):

Securities and derivative contracts classed as trading products and held by the Mizuho Securities Co., Ltd (hereinafter, the “Company”) and its subsidiaries are recorded at fair value.

2) Valuation method for securities not classed as trading products:

The following valuation methods are applied to securities that are not held for trading purposes:

a) Bonds that are to be held to maturity

The amortized cost (straight-line) method is used.

b) Other securities

Other securities with fair value:

Those are recorded at fair value on the consolidated balance sheets. Differences between the cost, using the moving average method, and fair value are recorded as net unrealized gains (or losses) on investment securities.

Other securities those are difficult to calculate fair value:

Those are recorded at cost using moving average method.

Moreover, with regard to contributions to investment business limited partnerships and similar partnerships (according to Article 2, Paragraph 2 of the Financial Instruments and Exchange Act, such contributions are regarded as negotiable securities), the Company mainly uses, as the book value, the value of its holdings of partnership assets as designated on the partnership’s most recent statement of accounts that the Company is able to obtain as of the day - stipulated in the partnership agreement - on which the latest statement of accounts is reported. With regard to profit and loss obtained from the operations of the partnership, etc., the Company uses a method whereby the Company records the value of its holdings.

(2) Depreciation methods used for significant depreciable assets

1) Property and equipment (excluding the leased assets)

Both the Company and domestic consolidated subsidiaries mainly use declining-balance method.

However, buildings acquired after 1 April 1998 (excluding the equipment, etc. they contain) are depreciated using the straight-line method.

2) Intangible assets and long-term prepaid expenses

The straight-line method is mainly used.

Moreover, software for own use is depreciated using a straight-line method determined by the duration of its potential internal use (up to 5 years).

3) Leased Assets

Depreciation of assets under financing leases other than those for which the ownership of the leased property transfers to the lessee is calculated on declining-balance method over the period equal to lease period with the residual value of nil.

(3) Accounting standards for significant reserves and allowances

1) Allowance for doubtful accounts

In preparation for possible loss from bad debt in loans and receivables, etc., allowance for general receivables is provided based on the ratio of past loss experience and also specific receivables such as non-recoverable receivables is provided for the estimated uncollectible amounts after reviewing collectability of receivables individually.

2) Accrued employees’ bonuses

To prepare for the payment of bonuses to employees, the Company calculates the estimated value of future payments and charges an appropriate portion of this obligation to the period.

3) Provision for variable compensation

To prepare for the payments of performance payments and stock compensation to be paid as variable compensation within compensation for directors and executive officers of Mizuho Securities Co., Ltd., the estimated payment based on the standard amount regarding variable compensation of this consolidated fiscal year has been recorded.

4) Provision for bonus point redemption

To prepare for the cost burden for use of the Mizuho Point Service in the future, the expected required amount is calculated for this period based on the usage rate.

5) Provision for directors’ retirement benefits

To prepare for the payment of retirement benefits for directors, the necessary amount for the end of this period is recorded in accordance with the in-house regulations.

6) Provision for executive officers’ retirement benefits

To prepare for the payment of retirement benefits for executive officers, the necessary amount for the end of this period is recorded in accordance with the in-house regulations.

7) Reserve for financial instruments transaction liabilities

Reserve for financial instruments transaction liabilities is provided for potential loss from accidents in security transactions in accordance with Article 46, Paragraph 5 of the Financial Instruments and Exchange Act, and Article 175 of "Cabinet Office Ordinance on the Financial Instruments and Exchange Business".

(4) Accounting for retirement benefits

1) Allocation of expected benefit payments

When calculating retirement benefits, the benefit formula method is used to allocate expected benefit payments to the period until this fiscal year end. Under the straight-line method for the retirement benefit payments calculation, the expected benefit divided by the total service years would be deemed as arising in each period.

2) Actuarial differences and prior service cost

Prior service cost is charged to expenses using the lump-sum or the straight-line method based on determined years (10 years) within average remaining service year of the employees when incurred.

Actuarial differences are also charged to expenses from the following fiscal year using the straight-line method based on determined years (10 years) within average remaining service year of the employees when incurred.

(5) Standards for translating significant assets or liabilities denominated in foreign currencies into Japanese yen

Foreign currency denominated claims and obligations are translated into Japanese yen at the spot rate prevailing on the closing day of this period. Currency translation losses or gains are recorded on the statements of operations as such.

The assets, liabilities, revenues, and expenses of foreign subsidiaries are also translated into Japanese yen at the spot rate prevailing on the closing day of this period. Any translation losses or gains are recorded in the net assets under the account "Foreign currency translation adjustments" and "Non-controlling interests".

(6) Method of significant hedge accounting

1) Gains or losses resulting from forward foreign exchange transactions entered to hedge the exchange-rate risk of

foreign-currency-dominated equity investments in subsidiaries, to the extent effective, are included in the foreign exchange translation adjustments in net assets.

2) The method of fair value hedge is applied for foreign borrowing exposures in order to minimize the risk of exchange-rate fluctuations for foreign-currency-denominated securities and others.

3) The method of fair value hedge is applied for forward foreign exchange transactions in order to minimize the risk of exchange-rate fluctuations for foreign-currency-denominated investment securities.

4) A special disposition method is applied for interest-rate swap agreements, which are adopted to reduce interest-rate risks of subordinated borrowings, under a condition that these agreements meet the requirements of the method.

(7) Accounting for consumption tax

The tax exclusion method is applied.

6. Changes in accounting policies

(Application of "Revised Accounting Standard for Business Combinations", etc.)

The Company has applied "Revised Accounting Standard for Business Combinations (ASBJ Statement No. 21, September 13, 2013) (hereinafter, the "Business Combinations Accounting Standard"), "Revised Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, September 13, 2013) (hereinafter, the "Consolidation Accounting Standard"), "Revised Accounting Standard for Business Divestitures" (ASBJ Statement No. 7, September 13, 2013) (hereinafter, the "Business Divestitures Accounting Standard") and other standards from this consolidated fiscal year. Accordingly, the accounting methods have been changed to record the difference arising from changes in equity in subsidiaries which the Company continues to control as capital surplus, and to record business acquisition costs as expenses for the fiscal year in which incurred. In addition, regarding business combinations occurring on or after April 1, 2015, the accounting method has been changed to retroactively reflect adjustments to the amount allocated to acquisition costs arising from the finalization of the provisional accounting treatment on the consolidated financial statements in which the business combination occurs. Furthermore, presentation of Net Income and others has been changed and presentation of Minority Interests has been changed to Non-controlling Interests. In order to reflect the changes in presentation of financial statements, reclassification was made accordingly in the consolidated financial statements for the fiscal year ended March 31, 2015.

The Business Combinations Accounting Standard and other standards have been applied in accordance with the transitional treatment set forth in Article 58-2 (3) of the Business Combinations Accounting Standard, Article 44-5 (3) of the Consolidation Accounting Standard and Article 57-4 (3) of the Business Divestitures Accounting Standard. The cumulative effects arising from the retroactive application of these new accounting policies to all the previous fiscal years were added to or deducted from capital surplus and retained earnings as of April 1, 2015.

As a result, Capital Surplus decreased by 1,124 million yen and Retained Earnings increased by 1,124 million yen as of April 1, 2015. In addition, the impact of applying these accounting standards to Net Income for this fiscal year is nil.

7. Notes to Consolidated Financial Statements

(Consolidated Balance Sheets)

	Year ended March 31, 2015	Year ended March 31, 2016 (Millions of yen)
1. Accumulated depreciation deducted from property and equipment	56,573	55,672
2. Obligations under guarantees	176	148
(potential guarantee obligation)	(83)	(55)

In accordance with Report No. 61 of the Auditing Committee of the Japanese Institute of Certified Public Accountants, titled "Auditing Procedures Concerning the Accounting for Guarantee Obligations and Quasi-Guarantees," those obligations of the Company deemed to cause the Company to be held liable as a guarantor are to be treated as quasi-guarantees and stated in notes.

3. The balance for affiliate companies is as follows:

	March 31, 2015	March 31, 2016 (Millions of yen)
Investment Securities	481	521

(Consolidated Statements of Changes in Shareholders' Equity)

Fiscal Year Ended March 31, 2015 (April 1, 2014 - March 31, 2015)

1. Matters related to outstanding shares

(Thousands of shares)				
\	Shares at April 1, 2014	Shares increased in this year	Shares decreased in this year	Shares at March 31, 2015
Shares outstanding Common stock	2,015,102	—	—	2,015,102
Total	2,015,102	—	—	2,015,102

2. Matters related to treasury stock

Not applicable

Fiscal Year Ended March 31, 2016 (April 1, 2015 - March 31, 2016)

1. Matters related to outstanding shares

(Thousands of shares)				
\	Shares at April 1, 2015	Shares increased in this year	Shares decreased in this year	Shares at March 31, 2016
Shares outstanding Common stock	2,015,102	—	—	2,015,102
Total	2,015,102	—	—	2,015,102

2. Matters related to treasury stock

Not applicable

(Per share information)

(Yen)

Year ended March 31, 2015		Year ended March 31, 2016	
Net assets per share	338.26	Net assets per share	354.51
Net income per share	29.11	Net income per share	30.36

(Notes)

1. Net income per share (diluted) was not shown due to no potential securities.

2. Net income per share was calculated based on the following:

		Year ended March 31, 2015	Year ended March 31, 2016
Net income attributable to owners of parent	(Millions of yen)	58,652	61,168
Amount not attributable to common stock shareholders	(Millions of yen)	—	—
Net income attributable to common stock owners of parent	(Millions of yen)	58,652	61,168
Average number of common shares outstanding	(Thousands of shares)	2,015,102	2,015,102

II. Supplemental Information (Consolidated)

1. Commissions

1) Breakdown by items

(Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016	Increase/(Decrease)	
			Amount	Percentage (%)
Brokerage commissions	65,771	60,234	(5,536)	(8.4)
Equities	48,154	43,206	(4,948)	(10.3)
Bonds	16,957	16,103	(853)	(5.0)
Underwriting and selling fees, and commissions from solicitation to qualifying investors	52,991	59,908	6,917	13.1
Equities	15,368	21,409	6,040	39.3
Bonds	37,444	38,172	727	1.9
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	38,068	38,636	567	1.5
Other commissions and fees	71,750	85,374	13,623	19.0
Total	228,582	244,155	15,572	6.8

2) Breakdown by instruments

(Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016	Increase/(Decrease)	
			Amount	Percentage (%)
Equities	65,204	70,557	5,352	8.2
Bonds	61,339	64,924	3,585	5.8
Beneficiary certificates	78,678	78,419	(258)	(0.3)
Other	23,360	30,253	6,893	29.5
Total	228,582	244,155	15,572	6.8

2. Net gain on trading

(Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016	Increase/(Decrease)	
			Amount	Percentage (%)
Equities, etc.	23,545	27,069	3,524	15.0
Bonds, etc. • Others	98,555	101,063	2,508	2.5
Bonds, etc.	105,486	71,653	(33,832)	(32.1)
Others	(6,930)	29,410	36,340	—
Total	122,100	128,133	6,032	4.9

3. Consolidated Capital Adequacy Requirement Ratio

(Millions of yen)

		As of March 31, 2015	As of March 31, 2016
Basic items	Total capital (A)	656,294	699,225
Supplemental items	Net unrealized gains on (operating) investment securities, net of tax, etc.	32,716	22,265
	Reserve for financial instruments transaction liabilities, etc.	1,607	2,024
	Allowance for doubtful accounts	71	68
	Subordinated long-term borrowings	74,000	49,000
	Subordinated short-term borrowings	271,000	256,000
	Total (B)	379,396	329,357
Deducted assets	(C)	219,570	204,694
Equity after deduction	(A) + (B) - (C) (D)	816,120	823,888
Amount equivalent to risk	Amount equivalent to market risk	166,488	129,846
	Amount equivalent to counterparty risk	61,967	51,713
	Amount equivalent to fundamental risk	75,845	83,293
	Total (E)	304,302	264,853
Capital adequacy requirement ratio	(D)/(E) * 100	268.1%	311.0%

4. Quarterly Consolidated Statements of Income

(Millions of yen)

	Fourth quarter ended March 2015	First quarter ended June 2015	Second quarter ended September 2015	Third quarter ended December 2015	Fourth quarter ended March 2016
	Jan. 1, 2015 - Mar. 31, 2015	Apr. 1, 2015 - Jun. 30, 2015	Jul. 1, 2015 - Sep. 30, 2015	Oct. 1, 2015 - Dec. 31, 2015	Jan. 1, 2016 - Mar. 31, 2016
Operating revenues	125,026	120,985	116,042	118,787	116,133
Commissions	66,969	65,118	59,870	64,781	54,385
Brokerage commissions	18,284	16,319	14,595	15,995	13,324
Equities	13,369	11,742	10,428	11,601	9,433
Bonds	4,700	4,405	3,876	4,178	3,643
Underwriting and selling fees, and commissions from solicitation to qualifying investors	17,117	14,451	15,315	16,707	13,434
Equities	5,186	4,267	5,092	6,544	5,504
Bonds	11,783	10,129	10,140	10,049	7,852
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	10,720	12,840	10,179	8,573	7,043
Other commissions and fees	20,847	21,506	19,779	23,504	20,583
Net gain on trading	30,551	32,036	29,716	28,024	38,356
Equities, etc.	3,065	11,779	3,821	8,615	2,852
Bonds, etc. • Others	27,486	20,256	25,894	19,408	35,504
Bonds, etc.	21,539	14,040	23,622	5,046	28,943
Others	5,947	6,215	2,271	14,362	6,560
Net gain (loss) on operating investment securities	6,269	5,630	8,387	3,655	(720)
Interest and dividend income	21,236	18,200	18,068	22,326	24,112
Interest expenses	12,933	11,677	13,430	15,655	15,940
Net operating revenues	112,093	109,307	102,612	103,132	100,193
Selling, general and administrative expenses	83,620	84,574	81,041	82,831	81,184
Transaction-related expenses	17,508	18,491	18,761	18,791	18,898
Personnel expenses	35,467	37,550	34,874	37,434	34,350
Real estate expenses	9,073	8,664	8,584	8,479	8,970
Administrative expenses	7,250	8,075	8,830	7,060	7,712
Depreciation and amortization	6,972	5,669	5,999	5,984	6,476
Taxes and dues	945	1,524	782	1,033	638
Other	6,402	4,597	3,208	4,047	4,137
Operating income	28,472	24,732	21,570	20,300	19,008
Non-operating income	874	909	1,638	(88)	976
Non-operating expenses	504	1,001	497	1,367	752
Ordinary income	28,842	24,640	22,711	18,844	19,232
Extraordinary gain	233	552	12,824	69	170
Extraordinary loss	941	421	603	812	1,587
Income before income taxes and non-controlling interests	28,134	24,771	34,933	18,101	17,815
Income taxes - current	7,502	3,990	2,510	3,409	8,055
Income taxes - deferred	2,919	3,702	9,670	2,498	(1,983)
Net income	17,713	17,078	22,752	12,194	11,743
Net income attributable to non-controlling interests	1,706	633	473	556	935
Net income attributable to owners of parent	16,006	16,445	22,278	11,637	10,807

III. Non-consolidated Financial Statements

1. Non-consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2015	As of March 31, 2016
Assets		
Current assets		
Cash and bank deposits	320,613	283,049
Cash segregated as deposits for customers and others	151,401	170,684
Trading assets	4,184,018	5,990,021
Trading securities and others	2,494,775	3,115,313
Derivatives	1,689,243	2,874,707
Receivables – unsettled trades	580,287	27,923
Operating investment securities	17,516	19,010
Operating loans receivable	3,240	3,100
Receivables related to margin transactions	74,794	98,958
Loans receivable under margin transactions	50,849	54,181
Cash collateral for borrowed securities under margin transactions	23,945	44,776
Collateralized short-term financing agreements-receivable	4,109,246	3,949,642
Deposits paid for securities borrowed	4,060,231	3,718,958
Securities purchased under agreements to resell	49,014	230,684
Advances paid	189	107
Advance payments for customers	169	53
Advance payments for others	20	53
Short-term guarantee deposits	208,013	370,794
Securities: fail to deliver	25,582	11,937
Variation margin paid	4,826	1,020
Short-term loans receivable	46,084	50,711
Advance payments	600	1,075
Prepaid expenses	2,926	2,647
Accounts receivable-other	4,527	2,520
Accrued income	24,167	23,143
Deferred tax assets	21,160	8,735
Other current assets	6,091	3,112
Less: Allowance for doubtful accounts	(12)	(16)
Total current assets	9,785,276	11,018,181
Noncurrent assets		
Property and equipment	15,678	14,540
Buildings	6,283	5,899
Equipment	6,374	7,054
Land	2,419	1,186
Leased assets	601	399
Intangible assets	34,344	42,370
Software	32,986	41,302
House leasehold rights	75	65
Telephone subscription rights	489	488
Other intangible assets	792	514
Investments and other assets	297,869	308,153
Investment securities	51,981	46,491
Investments in subsidiaries and affiliates	189,208	195,501
Long-term loans receivable to subsidiaries and affiliates	16,112	31,759
Long-term guarantee deposits	12,670	12,216
Long-term prepaid expenses	5,172	4,076
Prepaid pension cost	12,746	15,020
Deferred tax assets	8,297	1,394
Other	6,733	5,328
Less: Allowance for doubtful accounts	(5,055)	(3,634)
Total noncurrent assets	347,891	365,065
Total assets	10,133,168	11,383,246

(Millions of yen)

As of March 31, 2015 As of March 31, 2016

Liabilities		
Current liabilities		
Trading liabilities	3,909,239	4,445,062
Trading securities and others	2,294,228	1,642,885
Derivatives	1,615,010	2,802,176
Payables related to margin transactions	33,922	42,278
Borrowings on margin transactions	8,383	10,835
Cash collateral for loaned securities under margin transactions	25,539	31,443
Collateralized short-term financing agreements-payable	3,052,857	3,861,722
Deposits received for securities loaned	1,417,601	1,909,797
Securities sold under agreements to repurchase	1,635,255	1,951,925
Deposits received	160,613	136,356
Deposits from customers	104,521	115,985
Deposits for subscription	538	—
Deposits for others	55,553	20,371
Guarantee deposits received	110,135	154,013
Securities: fail to receive	8,685	4,271
Short-term borrowings	626,792	479,403
Commercial paper	456,500	513,700
Bonds and notes due within one year	67,220	55,602
Lease obligations	414	377
Advances received	1,363	1,144
Accounts payable-other	3,221	717
Accrued expenses	24,301	26,266
Income taxes payable	2,549	4,400
Accrued employees' bonuses	14,757	13,217
Provision for variable compensation	—	790
Provision for bonus point redemption	783	623
Other current liabilities	1,524	3,293
	Total current liabilities	8,474,880
Noncurrent liabilities		
Bonds and notes	496,002	548,766
Long-term borrowings	524,000	409,400
Lease obligations	1,351	857
Provision for retirement benefits	16,952	18,034
Other noncurrent liabilities	2,431	1,885
	Total noncurrent liabilities	1,040,738
Statutory reserves		
Reserve for financial instruments transaction liabilities	1,589	2,005
	Total statutory reserves	1,589
Total liabilities	9,517,208	10,724,190

(Millions of yen)

	As of March 31, 2015	As of March 31, 2016
Net assets		
Shareholders' equity		
Common stock	125,167	125,167
Capital surplus		
Additional paid - in capital	285,831	285,831
Other capital surplus	95,817	95,817
Total capital surpluses	381,649	381,649
Retained earnings		
Other retained earnings		
Retained earnings brought forward	112,125	149,594
Total retained earnings	112,125	149,594
Total shareholders' equity	618,941	656,411
Valuation and translation adjustments		
Net unrealized gains on (operating) investment securities, net of tax	24,524	21,626
Net deferred gains or losses on hedges, net of tax	(27,505)	(18,982)
Total valuation and translation adjustments	(2,981)	2,644
Total net assets	615,960	659,056
Total liabilities and net assets	10,133,168	11,383,246

2. Non-consolidated Statements of Income

(Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016
Operating revenues		
Commissions	146,782	155,617
Brokerage commissions	33,795	30,728
Underwriting and selling fees, and commissions from solicitation to qualifying investors	28,626	27,693
Offering, selling, and other commissions and fees, and commissions from solicitation to qualifying investors	34,228	31,397
Other commissions and fees	50,131	65,798
Net gain on trading	117,865	130,230
Net gain on operating investment securities	2,680	4,604
Interest and dividend income	34,249	29,402
Total operating revenues	301,578	319,855
Interest expenses	26,850	27,552
Net operating revenues	274,727	292,303
Selling, general and administrative expenses	217,631	231,895
Transaction-related expenses	45,154	51,176
Personnel expenses	85,944	85,135
Real estate expenses	25,634	26,042
Administrative expenses	38,685	47,955
Depreciation and amortization	15,065	14,929
Taxes and dues	3,106	3,386
Provision of allowance for doubtful accounts	431	(426)
Other	3,608	3,695
Operating income	57,096	60,407
Non-operating income	4,720	8,055
Non-operating expenses	581	1,357
Ordinary income	61,235	67,105
Extraordinary gain	588	13,436
Gain on sales of noncurrent assets	89	48
Gain on sales of investment securities	499	565
Indemnity receipt from the erroneous stock order	—	12,822
Extraordinary loss	2,530	2,464
Loss on sales of noncurrent assets	—	8
Loss on disposal of noncurrent assets	386	254
Loss on sales of investment securities	46	26
Loss on sales of investments in subsidiaries and affiliates	22	—
Loss on impairment of investment securities	—	0
Loss on impairment of investments in subsidiaries and affiliates	—	146
Loss on impairment of golf club membership	0	0
Impairment losses	858	843
Head office transfer cost	881	577
Cost incurred in opening of joint branches	—	192
Provision of reserve for financial instruments transaction liabilities	334	416
Income before income taxes	59,293	78,077
Income taxes - current	4,485	6,915
Income taxes - deferred	10,734	16,563
Total income taxes	15,219	23,479
Net income	44,073	54,598

3. Non-consolidated Statements of Changes in Shareholders' Equity

Year ended March 31, 2015

(Millions of yen)

	Shareholders' equity					
	Common stock	Capital surplus			Retained earnings	Total Shareholders' equity
		Additional paid-in capital	Other capital surplus	Total capital surplus	Other retained earnings	
Retained earnings brought forward						
Balance at beginning of period	125,167	285,831	95,817	381,649	91,516	598,333
Cumulative effect of changes in accounting policies					2,731	2,731
Restated balance	125,167	285,831	95,817	381,649	94,247	601,064
Changes during the period						
Dividends of surplus					(26,196)	(26,196)
Net income					44,073	44,073
Net changes of items other than shareholders' equity						
Total changes during the period	—	—	—	—	17,877	17,877
Balance at end of period	125,167	285,831	95,817	381,649	112,125	618,941

(Millions of yen)

	Valuation and translation adjustments			Total net assets
	Net unrealized gains on (operating) investment securities, net of tax	Net deferred hedge gain (loss), net of tax	Total valuation and translation adjustments	
Balance at beginning of period	16,865	(17,946)	(1,081)	597,251
Cumulative effect of changes in accounting policies				2,731
Restated balance	16,865	(17,946)	(1,081)	599,983
Changes during the period				
Dividends of surplus				(26,196)
Net income				44,073
Net changes of items other than shareholders' equity	7,658	(9,558)	(1,899)	(1,899)
Total changes during the period	7,658	(9,558)	(1,899)	15,977
Balance at end of period	24,524	(27,505)	(2,981)	615,960

Year ended March 31, 2016

(Millions of yen)

	Shareholders' equity					
	Common stock	Capital surplus			Retained earnings	Total Shareholders' equity
		Additional paid-in capital	Other capital surplus	Total capital surplus	Other retained earnings	
Retained earnings brought forward						
Balance at beginning of period	125,167	285,831	95,817	381,649	112,125	618,941
Changes during the period						
Dividends of surplus					(17,128)	(17,128)
Net income					54,598	54,598
Net changes of items other than shareholders' equity						
Total changes during the period	—	—	—	—	37,469	37,469
Balance at end of period	125,167	285,831	95,817	381,649	149,594	656,411

(Millions of yen)

	Valuation and translation adjustments			Total net assets
	Net unrealized gains on (operating) investment securities, net of tax	Net deferred hedge gain (loss), net of tax	Total valuation and translation adjustments	
Balance at beginning of period	24,524	(27,505)	(2,981)	615,960
Changes during the period				
Dividends of surplus				(17,128)
Net income				54,598
Net changes of items other than shareholders' equity	(2,897)	8,523	5,626	5,626
Total changes during the period	(2,897)	8,523	5,626	43,095
Balance at end of period	21,626	(18,982)	2,644	659,056

4. Note on the going-concern assumption

Not applicable

IV. Supplemental Information (Non-consolidated)

Capital adequacy requirement ratio

(Millions of yen)

		As of March 31, 2015	As of March 31, 2016
Basic items	Total capital (A)	601,813	638,275
Supplemental items	Net unrealized gains on (operating) investment securities, net of tax, etc.	(2,981)	2,644
	Reserve for financial instruments transaction liabilities, etc.	1,589	2,005
	Allowance for doubtful accounts	11	13
	Subordinated long-term borrowings	74,000	49,000
	Subordinated short-term borrowings	271,000	256,000
	Total (B)	343,619	309,663
Deducted assets	(C)	309,089	331,633
Equity after deduction	(A) + (B) - (C) (D)	636,343	616,305
Amount equivalent to risk	Amount equivalent to market risk	112,205	92,356
	Amount equivalent to counterparty risk	32,234	29,077
	Amount equivalent to fundamental risk	54,480	59,682
	Total (E)	198,920	181,116
Capital adequacy requirement ratio	(D)/(E) * 100	319.8%	340.2%